

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

HOUSE BILL 2516

By: Young

AS INTRODUCED

An Act relating to public finance; authorizing Oklahoma Capitol Improvement Authority to acquire certain property; providing for acquisition of title; providing for lease of real property; providing for transfer of title; authorizing Oklahoma Capitol Improvement Authority to borrow monies; authorizing issuance of obligations; stating legislative intent with respect to appropriations to the Oklahoma State Bureau of Investigation; providing for payment of professional fees and other costs; prescribing procedures related to issuance of obligations; authorizing engagement of certain professional services; providing for creation of reserves; providing for sale of obligations; authorizing certain agreements; prescribing maximum maturity date; authorizing certain use of interest earnings; providing for exemption from taxation; providing for investment of monies; prescribing procedures related to investment of monies; providing for codification; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 168.10 of Title 73, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Capitol Improvement Authority is hereby authorized to provide for equipment for the Edmond Forensic Science Center and for improvements to real property located in Oklahoma County, Garfield County, Cherokee County, Comanche County, and Pittsburg County, for the purpose of providing forensic laboratory and other equipment and furniture and for improving property for the exclusive use of the Oklahoma State Bureau of Investigation (OSBI). The Authority may hold title to the equipment, real property and improvements purchased by the monies authorized herein until such

time as any obligations issued for this purpose are retired or defeased and may lease the real property and improvements to the OSBI. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real property and improvements shall be transferred from the Oklahoma Capitol Improvement Authority to the OSBI.

B. For the purpose of paying the costs for equipment and improvements of the real property authorized in subsection A of this section, the Authority is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such real property and improvements, and, in anticipation of the collection of such income and revenues, to issue negotiable obligations in an amount not to exceed \_\_\_\_\_ Dollars (\$0.00). It is the intent of the Legislature to appropriate to the Oklahoma State Bureau of Investigation sufficient monies to make rental payments for the purposes of retiring the obligations created pursuant to this section. The costs for equipment and improvement of the real property shall not exceed \_\_\_\_\_ Dollars (\$0.00).

C. To the extent funds are available from the proceeds of the borrowing authorized by subsection B of this section, the Oklahoma Capitol Improvement Authority shall provide for the payment of professional fees and associated costs approved by the OSBI.

D. The Authority may issue obligations in one or more series and in conjunction with other issues of the Authority. The Authority is authorized to hire bond counsel, financial consultants, and such other professionals as it may deem necessary to provide for the efficient sale of the obligations and may utilize a portion of the proceeds of any borrowing to create such reserves as may be deemed necessary and to pay costs associated with the issuance and administration of such obligations.

E. The obligations authorized under this section may be sold at either competitive or negotiated sale, as determined by the

Authority, and in such form and at such prices as may be authorized by the Authority. The Authority may enter into agreements with such credit enhancers and liquidity providers as may be determined necessary to efficiently market the obligations. The obligations may mature and have such provisions for redemption as shall be determined by the Authority, but in no event shall the final maturity of such obligations occur later than thirty (30) years from the first principal maturity date.

F. Any interest earnings on funds or accounts created for the purposes of this section may be utilized for the purchase of equipment or improvements to real property.

G. The obligations issued under this section, the transfer thereof and the interest earned on such obligations, including any profit derived from the sale thereof, shall not be subject to taxation of any kind by the State of Oklahoma, or by any county, municipality or political subdivision therein.

H. The Authority may direct the investment of all monies in any funds or accounts created in connection with the offering of the obligations authorized under this section. Such investments shall be made in a manner consistent with the investment guidelines of the State Treasurer. The Authority may place additional restrictions on the investment of such monies if necessary to enhance the marketability of the obligations.

SECTION 2. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

50-2-7949 MAH 12/27/05